

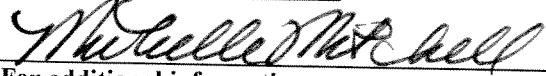
**REQUEST FOR COUNCIL ACTION****TO:** Mayor via City Secretary**RCA #****SUBJECT:** Approve an ordinance electing to become eligible to participate in tax abatements and adopting guidelines and criteria for tax abatements.**Category #****Page 1 of 1****Agenda Item#****FROM: (Department or other point of origin):**

Michelle Mitchell, Director

Finance Department

**Origination Date**

August 21, 2009

**Agenda Date****DIRECTOR'S SIGNATURE:****Council Districts affected:**

All

**For additional information contact:**

Tim Douglass

Phone: 713-837-9857

Keith R. Phillips

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**Date and identification of prior authorizing Council Action:**

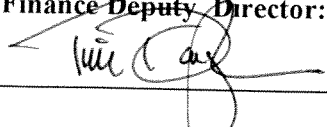
Ordinance 2007-570 dated 5/9/07

**RECOMMENDATION: (Summary)** Approve an ordinance electing to become eligible to participate in tax abatements and adopting guidelines and criteria for tax abatements.**Amount of Funding:** No City funding required**Finance Budget:****SOURCE OF FUNDING:**☐ General Fund☐ Grant Fund☐ Enterprise Fund☐ Other (Specify)**SPECIFIC EXPLANATION:**

State law requires cities to adopt tax abatement guidelines and criteria before entering into tax abatement agreements and each approved abatement agreement must meet those guidelines. State law also provides that cities' tax abatement guidelines and criteria expire after two years. The City's former tax abatement guidelines and criteria expired in May 2009. The City now desires to become eligible to enter into tax abatement agreements in accordance with the proposed new guidelines and criteria.

The proposed guidelines inserts Section 44-131 – Leadership in Energy and Environmental Design (LEED) Tax Abatement and includes Legal Department suggested verbiage revisions to clarify ordinance language and remove perceived terminology ambiguity. The suggested guidelines also include an interest provision for recaptured ad valorem taxes if not paid within 60 days.

cc: Marty Stein, Agenda Director  
Anna Russell, City Secretary  
Arturo Michel, City Attorney  
Deborah McAbee, Senior Assistant City Attorney

**REQUIRED AUTHORIZATION****Finance Deputy Director:****Other Authorization:****Other Authorization:**